

Lodi Gas Storage, LLC	Year of Report - 2012	G.O. #156
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Line No.	A description of WMDVBE program activities engaged in during the previous calendar year. Internal program activities.
1	Lodi Gas Storage, LLC's vendor selection policy states, "It is the policy of Lodi Gas Storage, LLC (LGS) that women, minority, and disabled veteran owned business enterprises (WMDVBE) shall have the maximum practicable opportunity to participate in the performance of contracts. Furthermore, this policy shall not be used to exclude qualified non-WMDVBE's from participating in LGS contracting."
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5	This policy was transmitted to each employee responsible for procuring or recommending procurement of materials and/or services. Additionally, LGS prepared and sent a questionnaire to each vendor with whom LGS had done business since its inception. This questionnaire polled the various vendors regarding their current ownership and management to determine the vendors to be included in the WMDVBE statistics. The results of the questionnaire are compiled and are presented herewith.
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9	If a vendor did not submit a response to the questionnaire, LGS consulted the CPUC WMDVBE Clearinghouse to determine if the vendor was a certified WMDVBE firm. Any vendor who did not respond or could not be identified in the CPUC WMDVBE Clearinghouse was assumed to fail the test of WMDVBE ownership.
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Line No.	A description of WMDVBE program activities engaged in during the previous calendar year. External program activities.
26	Lodi Gas Storage, LLC's vendor selection policy states, "It is the policy of Lodi Gas Storage, LLC (LGS) that women, minority, and disabled veteran owned business enterprises (WMDVBE) shall have the maximum practicable opportunity to participate in the performance of contracts. Furthermore, this policy shall not be used to exclude qualified non-WMDVBE's from participating in LGS contracting."
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34	In addition to supplying each contractor from whom LGS accepted bids for construction or construction related services with a copy of this policy, LGS encouraged the prospective contractors to consider including WMDVBE firms in their sub-contracting practices.
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Lodi Gas Storage, LLC	Year of Report - 2012	G.O. #156 Sec. 9.1.2
<b>WMDVBE ANNUAL RESULTS BY ETHNICITY</b>		

(000'S)

Line No.			2012			
			Direct	Sub	Total \$	%
1	Minority Men	Asian-Pacific	\$ -	\$ -	\$ -	0.00%
2		Black	\$ -	\$ -	\$ -	0.00%
3		Hispanic	\$ (160,098)	\$ -	\$ (160,098)	0.97%
4		Native-American	\$ (10,607)	\$ -	\$ (10,607)	0.06%
5		Other	\$ -	\$ -	\$ -	0.00%
6		Total Minority Men	\$ (170,705)	\$ -	\$ (170,705)	1.03%
7	Minority Women	Asian-Pacific	\$ (9,765)	\$ -	\$ (9,765)	0.06%
8		Black	\$ -	\$ -	\$ -	0.00%
9		Hispanic	\$ (40,883)	\$ -	\$ (40,883)	0.25%
10		Native-American	\$ -	\$ -	\$ -	0.00%
11		Other	\$ -	\$ -	\$ -	0.00%
12		Total Minority Women	\$ (50,648)	\$ -	\$ (50,648)	0.31%
13	Total Minority Business Enterprise (MBE)		\$ (221,352)	\$ -	\$ (221,352)	1.34%
14	Women Business Enterprise (WBE)		\$ (480,133)	\$ -	\$ (480,133)	2.91%
15	Subtotal Women, Minority Business Enterprise (WMBE)		\$ (701,485)	\$ -	\$ (701,485)	4.25%
16	Service Disabled Veteran Business Enterprise (DVBE)		\$ (7,120)	\$ -	\$ (7,120)	0.04%
17	Total WMDVBE		\$ (708,605)	\$ -	\$ (708,605)	4.29%
18	Gross Procurement			1		
19	Exclusions			0		
20	Net Procurement			1		

Total Outside Vendor Expense During Reporting Year: \$ (16,512,610)

Lodi Gas Storage, LLC	Year of Report - 2012	G.O. #156 Sec. 9.1.2
WMDVBE PROCUREMENT BY PRODUCT AND SERVICE CATEGORIES		

(000'S)

Line No.				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Men	Asian-Pacific	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
2		Summary of WMDVBE	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
3		Hispanic	Direct	\$ (124,689)	0.76%	\$ (35,410)	0.21%	\$ (160,098)	0.97%
4		Native-American	Direct	\$ (5,303)	0.03%	\$ (5,303)	0.03%	\$ (10,607)	0.06%
5		Other	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
6		Total Minority Men	Direct	\$ (129,992)	0.79%	\$ (40,713)	0.25%	\$ (170,705)	1.03%
7	Minority Women	Asian-Pacific	Direct	\$ -	0.00%	\$ (9,765)	0.06%	\$ (9,765)	0.06%
8		Black	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
9		Hispanic	Direct	\$ -	0.00%	\$ (40,883)	0.25%	\$ (40,883)	0.25%
10		Native-American	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
11		Other	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
12		Total Minority Women	Direct	\$ -	0.00%	\$ (50,648)	0.31%	\$ (50,648)	0.31%
13	Total Minority Business Enterprise (MBE)		Direct	\$ (129,992)	0.79%	\$ (91,360)	0.55%	\$ (221,352)	1.34%
14	Women Business Enterprise (WBE)		Direct	\$ (34,286)	0.21%	\$ (445,847)	2.70%	\$ (480,133)	2.91%
15	Subtotal Women, Minority Business Enterprise (WMBE)		Direct	\$ (164,278)	0.99%	\$ (537,208)	3.25%	\$ (701,485)	4.25%
16	Service Disabled Veteran Business Enterprise (DVBE)		Direct	\$ (534)	0.00%	\$ (6,586)	0.04%	\$ (7,120)	0.04%
17	Total WMDVBE		Direct	\$ (164,812)	1.00%	\$ (543,794)	3.29%	\$ (708,605)	2.07%
18	Gross Procurement			1		1		1	
19	Exclusions			0		0		0	
20	Net Procurement			1		1		1	

<b>Lodi Gas Storage, LLC</b>	<b>Year of Report - 2012</b>	<b>G.O. #156 Sec. 9.1.2</b>
<b>WMDVBE PROCUREMENT BY PRODUCT AND SERVICE CATEGORIES</b>		

(000'S)

Line No.				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Men	Asian-Pacific	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
2		Summary of WMDVB	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
3		Hispanic	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
4		Native-American	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
5		Other	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
6		Total Minority Men	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
7	Minority Women	Asian-Pacific	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
8		Black	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
9		Hispanic	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
10		Native-American	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
11		Other	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
12		Total Minority Women	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%

13	Total Minority Business Enterprise (MBE)	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
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14	Women Business Enterprise (WBE)	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
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15	Subtotal Women, Minority Business Enterprise (WMBE)	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
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16	Service Disabled Veteran Business Enterprise (DVBE)	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
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17	Total WMDVBE	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
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18	Gross Procurement	1	1	1
19	Exclusions	0	0	0
20	Net Procurement	1	1	1

<b>Lodi Gas Storage, LLC</b>	<b>Year of Report - 2012</b>	<b>G.O. #156 Sec. 9.1.3</b>
<b>WMDVBE PROGRAM EXPENSES</b>		

<b>Line No.</b>	<b>Expense Category</b>	<b>2012 (Actual)</b>
<b>1</b>	<b>Wages</b>	<b>\$ 1,358</b>
<b>2</b>	<b>Other Employee Expenses</b>	<b>\$ 407</b>
<b>3</b>	<b>Program Expenses</b>	<b>\$ 322</b>
<b>4</b>	<b>Reporting Expenses</b>	<b>\$ -</b>
<b>5</b>	<b>Training</b>	<b>\$ -</b>
<b>6</b>	<b>Consultants</b>	<b>\$ -</b>
<b>7</b>	<b>Other</b>	<b>\$ -</b>
<b>8</b>	<b>TOTAL</b>	<b>\$ 2,088</b>

Line No.	A description of progress in meeting or exceeding set goals and an explanation of any circumstances that may have caused the utility to fall short of its goals.
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Summary of

Category	Current Year Results	Current Year Goals
Minority Men	1.034%	2.000%
Minority Women	0.307%	1.500%
Minority Business Enterprise (MBE)	1.341%	3.500%
Women Business Enterprise (WBE)	2.908%	2.500%
Subtotal Women, Minority Business Enterprise (WMBE)	4.248%	6.000%
Service Disabled Veteran Business Enterprise (DVBE)	0.043%	1.500%
Total WMDVBE	4.291%	7.500%

As LGS is a small company involved in a business with very specific technical needs (underground gas storage), there are few vendors which have the necessary expertise that qualify under the WMDVBE requirements. LGS has endeavored to seek out WMDVBE qualified businesses to provide services as they have been needed.

Line No.	A summary of prime contractor utilization of WMDVBE subcontractors.							
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2	(000's)	Minority Men	Minority Women	Minority Business Enterprises (MBE)	Women Business Enterprises (WBE)	Women, Minority Business Enterprises (WMBE)	Service Disabled Veteran Business Enterprises (DVBE)	TOTAL WMDVBE
3	Direct \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Subcontracting \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Total \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6								
7	Direct %	Summary of	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
8	Subcontracting %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9	Total %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10								
11	Gross Procurement	1						
12	Exclusion	0						
13	Net Procurement	1						
14								
15	Although LGS has encouraged its prime contractors to include WMDVBE's in their subcontracting practices and has provided them with a copies of LGS' policy thereto, LGS does not monitor nor have knowledge of its prime contractors' utilization of WMDVBE subcontractors.							
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Line No.	A list of WMDVBE complaints received during the past year, accompanied by a brief description of the nature of each complaint and its resolution or current status.
1	LGS received <u>no complaints</u> during the last year.
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Line No.	A summary of purchases and/or contracts for products and services in excluded categories.
1	<b>No excluded categories.</b>
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Line No.	A justification for the continued existence of any "excluded category" of products or services which has been removed from the procurement dollar base used to set goals because of the established unavailability of WMDVBE suppliers. Such justification must include a description of any efforts made to find and/or recruit WMDVBE suppliers of products or services in the excluded category.
22	<b>No excluded categories.</b>
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Line No.	A description of any efforts made to recruit WMDVBE suppliers of products or services in procurement categories where WMDVBE utilization has been low, such as legal and financial services, fuel procurement, and areas that are considered highly technical in nature.
1	LGS downloaded the list of certified WMDVBE from the CPUC WMDVBE Clearinghouse and distributed it to those personnel responsible for purchasing or recommending purchases of products and/or services with a directive to include such suppliers whenever possible within the framework of quality, schedule, and cost.
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Lodi Gas Storage, LLC	Year of Report - 2012	G.O. #156 Sec. 10.1.1
WMDVBE ANNUAL SHORT, MID, AND LONG-TERM GOALS BY PRODUCTS AND SERVICES		

Line No.		Short-Term (2013)						Mid-Term (2015)						Long-Term (2017)								
		Minority Men	Minority Women	Minority Business Enterprises (MBE)	Women Business Enterprises (WBE)	Women, Minority Business Enterprises (WMBE)	Service Disabled Veteran Business Enterprises (DVBE)	TOTAL WMDVBE	Minority Men	Minority Women	Minority Business Enterprises (MBE)	Women Business Enterprises (WBE)	Women, Minority Business Enterprises (WMBE)	Service Disabled Veteran Business Enterprises (DVBE)	TOTAL WMDVBE	Minority Men	Minority Women	Minority Business Enterprises (MBE)	Women Business Enterprises (WBE)	Women, Minority Business Enterprises (WMBE)	Service Disabled Veteran Business Enterprises (DVBE)	TOTAL WMDVBE
1	Products	0.50%	0.50%	1.00%	0.50%	1.50%	0.50%	2.00%	0.75%	0.75%	1.50%	0.75%	1.50%	0.75%	2.25%	3.00%	3.00%	6.00%	5.00%	8.00%	1.13%	9.13%
Summary of WMDVBE purchases and/or contracts, arranged																						
2	Services	1.50%	1.00%	2.50%	2.00%	4.50%	1.00%	5.50%	2.25%	1.50%	3.75%	3.00%	5.25%	1.50%	6.75%	5.00%	4.00%	9.00%	6.00%	11.00%	2.25%	13.25%
3	Total	2.00%	1.50%	3.50%	2.50%	6.00%	1.50%	7.50%	3.00%	2.25%	5.25%	3.75%	6.75%	2.25%	9.00%	8.00%	7.00%	15.00%	11.00%	19.00%	3.38%	22.38%

Line No.	A description of WMDVBE program activities planned for the next calendar year.	Internal program
1	The LGS WMDVBE outreach program will continue to consist primarily of training personnel on the availability of resources to assist them in locating and contracting with WMDVBE suppliers of products and services.	
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4	Employees who have the responsibility and authority to purchase goods and/or services or to recommend the same will be provided with a listing of companies in the CPUC WMDVBE Clearinghouse as well as a link to the site. They will be encouraged to seek out these companies when making purchases or recommendations.	
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8	Employees will be trained in how to use the CPUC Supplier Diversity database. This training will include how to download the listing and how to search the database to determine the most qualified companies.	
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12	Employees will be encouraged to evaluate suppliers based on the following criteria:	
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16	Cost (is the cost reasonable and competitive?)	
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20	Employees will be instructed that, when the above criteria have been met, to consider the WMDVBE suppliers as the preferred suppliers.	
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24	Any employee who identifies a WMDVBE supplier that is not included in the CPUC WMDVBE Clearinghouse will be asked to bring this to the attention of the supervisor. Supervisors will in turn bring this to management's attention.	
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26	Management will work with the supplier to put them in contact with the CPUC WMDVBE Clearinghouse in an attempt to get them certified. Lack of certification will not preclude a supplier from providing services.	
27		

Line No.	A description of WMDVBE program activities planned for the next calendar year.	External program
26	LGS will attempt to identify the ownership structure of all suppliers of products and services.	
27		
28	LGS will identify all WMDVBE suppliers who are currently certified in the CPUC WMDVBE Clearinghouse.	
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31	Should a WMDVBE supplier be identified that is not included in the CPUC WMDVBE Clearinghouse, LGS will work with the supplier to put them in contact with the CPUC WMDVBE Clearinghouse in an attempt to get them certified. Lack of certification will not preclude a supplier from providing services.	
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Line No.	Plans for recruiting WMDVBE suppliers of products or services in procurement categories where WMDVBE utilization has been low, such as legal and financial services, fuel procurement, and areas that are considered highly technical in nature.
1	LGS will utilize the SIC codes in the CPUC WMDVBE Clearinghouse in an effort to find qualified WMDVBE suppliers. Should a WMDVBE supplier be identified that is not included in the CPUC WMDVBE Clearinghouse, LGS will work with the supplier to put them in contact with the CPUC WMDVBE Clearinghouse in an attempt to get them certified. Lack of certification will not preclude a supplier from providing services.
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Line No.	Plans for seeking and/or recruiting WMDVBE suppliers of any "excluded category" of products or services which has been removed from the procurement dollar base used to set goals because of the established unavailability of WMDVBE suppliers.
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**No excluded categories.**

Line No.	Plans for encouraging both prime contractors and grantees to engage WMDVBE's in subcontracts in all categories which provide subcontracting opportunities.
1	LGS will continue to provide its WMDVBE Policy in all bid documents. In addition, LGS will inform potential prime contractors that their use of WMDVBE suppliers will be taken into account in the bid conditioning process. LGS will continue to encourage diversity of ownership in the various sub-contractor suppliers.
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Line No.	Plans for complying with the WMDVBE program guidelines established by the Commission as required by Public Utilities Section 8283(c). The Executive Director's Office will be responsible for developing, periodically refining, and recommending such guidelines for the Commission's adoption.
1	LGS will continue to promote diversity of ownership in its contracting and procurement practices. Employees will be trained and prime contractors will be encouraged to consider diversity of ownership as a motivating factor in making supplier choices. LGS will monitor these activities and provide the Annual Report as specified in CPUC G.O. 156.
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